AMENDED IN ASSEMBLY APRIL 30, 2015 AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 859

Introduced by Assembly Member Medina

February 26, 2015

An act to add *and repeal* Article 4.6 (commencing with Section 14146) to Chapter 7 of Part 3 of Division 9-of, and to repeal Section 14146.1 of, of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 859, as amended, Medina. Medi-Cal: obesity treatment plans. Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law specifies the benefits provided pursuant to the program.

This bill would require the department, on or before December 31, 2016, and until January 1, 2021, to create an Obesity Treatment Action Plan to diagnose, treat, and reduce the incidence of adult obesity in the Medi-Cal program. The bill would require the department to report the plan to the Legislature, along with any legislative recommendations to implement the plan. The bill would require the plan to include evidence-based principles and obesity treatment guidelines from specified provider associations, a plan for identifying and screening patients for obesity, and a review of coverage services to treat obesity. The bill would provide that limit application of the plan-apply only to

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noncapitated payment plans in Medi-Cal. Medi-Cal fee-for-service plans. This bill would require the department to seek any federal approvals necessary to implement the requirements of the bill and to obtain federal financial participation, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Article 4.6 (commencing with Section 14146) is added to Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code, to read:

Article 4.6. Treatment and Reduction of Obesity Act

- 14146. The Legislature finds and declares all of the following:
- (a) Obesity is a chronic disease and increases the risk of, and aggravates, cardiovascular disease, cancer, diabetes, and arthritis. Obesity is the only chronic disease for which Americans face prohibitions for access to treatment.
- (b) Twenty-five percent of California's population has obesity. Of this population, 37.7 percent are African American and 31.3 percent are Hispanic.
- (c) In the 2014 Medi-Cal Statistical Report, the department found that the proportion of adults suffering with obesity was the highest among adults enrolled in Medi-Cal, higher than the privately insured market and the uninsured population.
- (d) Treatment of an individual with obesity should include an individualized treatment plan and should be able to include medications, very low calorie diets, surgery, and lifestyle changes such as diet, exercise, and behavioral therapy.
- (e) In addition to the improved health of patients, by confronting obesity and reducing the average Body Mass Index (BMI) by just 5 percent, significant savings can be achieved. Reducing the BMI by 5 percent in just five years could save California approximately \$28.9 billion. By 2030, California's potential savings could be 7.6 percent in overall health care spending.
- 14146.1. (a) On or before December 31, 2016, the department shall create an Obesity Treatment Action Plan (OTAP) to diagnose, treat, and reduce the incidence of adult obesity in the Medi-Cal

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program, and shall report the plan to the Legislature along with any legislative recommendations to implement the plan.

- (b) The OTAP shall apply only to noncapitated fee-for-service *Medi-Cal* payment plans in Medi-Cal. plans.
- (c) The OTAP shall include evidence-based principles and obesity treatment guidelines from nationally recognized provider associations, including, but not limited to, the following:
 - (1) The American Society of Bariatric Physicians.
 - (2) The Endocrine Society.

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- (3) The American Association of Clinical Endocrinologists.
- 11 (4) The Academy of Nutrition and Dietetics and the American 12 Society of Metabolic and Bariatric Surgery.
 - (5) The Obesity Society.
 - (d) The OTAP shall include all of the following:
 - (1) A plan for educating fee-for-service physicians regarding the importance of screening for obesity and treatment options available in Medi-Cal.
 - (2) A plan for identifying and screening patients for obesity.
 - (3) A review of current coverage of services to treat obesity and recommendations with evidence-based rationale on the continuum of coverage of additional obesity treatment services, including nutritional, exercise, and lifestyle counseling and pharmacotherapy.
 - (e) (1) A report to be submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.
 - (2) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2021.
 - (e) The department shall seek any federal approvals necessary to implement the requirements of this section and to obtain federal financial participation to the maximum extent permitted by federal law.
 - 14146.2. (a) A report submitted pursuant to Section 14146.1 shall be submitted in compliance with Section 9795 of the Government Code.
- 35 (b) Pursuant to Section 10231.5 of the Government Code, this article is repealed on January 1, 2021.